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THE Feed SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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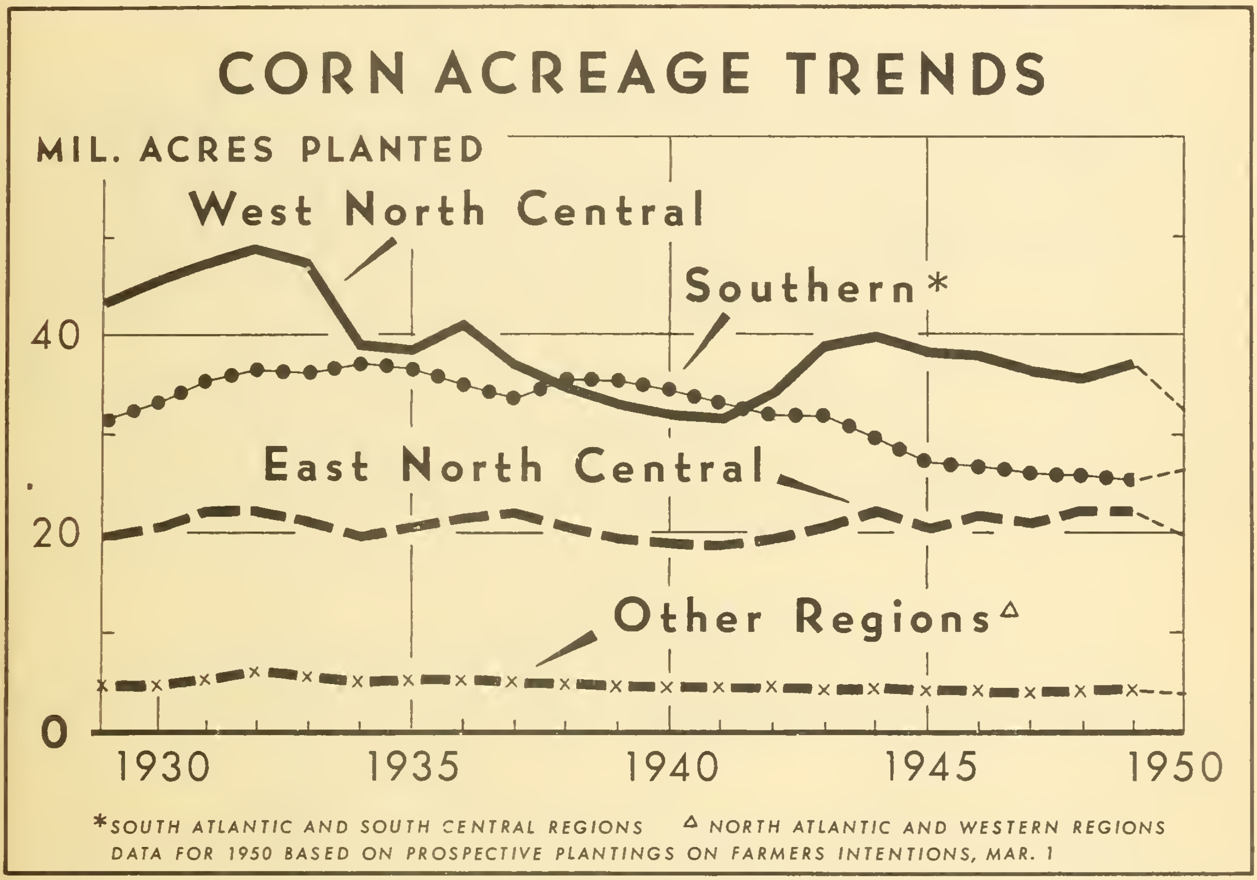


U. S. DEPARTMENT OF AGRICULTURE NEG. 47560-XX BUREAU OF AGRICULTURAL ECONOMICS

Farmers in the North Central regions will plant about 10 percent less corn in 1950 than in 1949, if they carry out their intentions of March 1, while farmers in the South will plant 4 percent more. The total prospective acreage for the country of 82.8 million acres is about 6 percent less than in 1949, and the smallest in over 50 years. Larger acreages of other feed grains are in prospect for 1950 and the total prospective acreage of all feed grains is a little larger than that planted in 1949. But with 1944-48 average yields by States, the 1950 production of feed grains would be about 10 percent below the big production of last year.

Table 1.- Statistical Summary

PRICES

Item	Unit	1948 Feb.	1948 Mar.	1949 Feb.	1949 Mar.	1950 Jan.	1950 Feb.	1950 Mar.
		Cents	Cents	Cents	Cents	Cents	Cents	Cents
Corn, No. 3 Yellow, Chicago	Bushel	225.3	230.1	127.1	133.7	129.1	129.7	133.7
Price received by farmers, U. S.	do.	192.0	211.0	112.0	118.0	115.0	116.0	119.0
Oats, No. 3 White, Chicago	do.	127.3	129.8	74.1	75.3	74.9	76.9	78.3
No. 3 White, Minneapolis	do.	117.8	126.9	71.4	70.0	72.6	73.7	75.9
Price received by farmers, U. S.	do.	104.0	117.0	68.9	70.0	70.5	70.6	72.3
Barley, No. 3, Minneapolis	do.	214.2	224.3	124.2	120.0	144.4	148.4	151.8
Price received by farmers, U. S.	do.	172.0	187.0	104.0	106.0	110.0	109.0	110.0
Grain sorghums, price received by farmers, U. S.	100 pounds	227.0	336.0	207.0	217.0	189.0	188.0	193.0
Wheat, No. 2 Hard Winter, Kansas City	Bushel	250.8	245.4	219.6	224.1	222.3	222.4	227.2
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Hay, No. 1 Alfalfa, baled, Kansas City	Ton	35.50	34.50	30.00	30.00	29.10	27.00	27.00
Price received by farmers, baled, U. S.	do.	24.30	24.50	25.50	25.00	21.90	21.50	21.20
Byproduct Feeds (bagged)								
Standard bran, Minneapolis	do.	64.25	65.40	44.50	52.10	40.70	40.55	46.00
Buffalo	do.	71.90	72.60	51.10	57.90	46.30	47.60	51.10
Price paid by farmers, U. S.	100 pounds	4.01	3.90	3.02	3.15	2.90	2.80	2.86
Standard middlings, Minneapolis	Ton	65.75	73.10	43.50	51.10	40.40	40.70	46.75
Buffalo	do.	74.10	77.80	50.50	56.70	45.40	46.90	52.00
Price paid by farmers, U. S.	100 pounds	4.21	4.22	3.12	3.25	3.02	2.91	3.00
Cottonseed meal, 41 pct. protein, Memphis	Ton	84.00	81.15	58.50	56.75	59.00	56.75	60.40
Linseed meal, 32 pct. protein, Minneapolis	do.	91.50	77.00	70.50	64.90	69.30	68.50	70.00
30 pct. protein, San Francisco	do.	89.75	84.90	67.50	67.95	69.00	65.25	67.25
Soybean meal, 41 pct. protein, Chicago	do.	89.00	84.75	65.80	67.40	66.00	65.05	69.65
Price paid by farmers, U. S.	100 pounds	5.24	5.09	4.14	4.09	4.20	4.02	4.11
Peanut meal, 45 pct. protein, S. E. milling points	Ton	88.60	85.50	67.50	62.50	63.35	59.75	63.80
White hominy feed, Chicago	do.	80.40	81.30	42.95	42.95	46.80	45.80	49.75
Gluten feed, 23 pct. protein, Chicago	do.	80.00	74.60	53.75	52.25	52.50	52.50	53.00
Tankage digester, 69 pct. protein, Chicago	do.	138.25	120.00	117.90	109.00	117.00	107.10	113.60
Meat scraps, Chicago	do.	125.10	108.90	109.00	108.45	105.00	100.80	113.90
Fish meal, San Francisco	do.	185.10	159.15	188.00	198.30	179.90	162.50	150.30
Alfalfa meal, No. 1 fine, Kansas City	do.	49.25	46.00	39.65	39.20	39.00	37.10	33.50
Mixed dairy feed, 16 pct. protein, price paid by farmers, U. S.	100 pounds	4.63	4.51	3.62	3.59	3.42	3.38	3.41
Laying mash, price paid by farmers, U. S.	do.	5.55	5.46	4.45	4.45	4.39	4.31	4.34
Scratch feed, price paid by farmers, U. S.	do.	5.34	5.30	3.93	3.98	3.72	3.71	3.77

INDEX NUMBERS OF PRICES

Item	Unit	1948 Feb.	1948 Mar.	1949 Feb.	1949 Mar.	1950 Jan.	1950 Feb.	1950 Mar.
		Percent	Percent	Percent	Percent	Percent	Percent	Percent
Feed grains, price received by farmers, U. S. 1/	1910-14=100	286	316	172	179	177	178	182
Ten principal high-protein feeds, terminal markets	1935-39=100	303	280	231	227	228	219	226
Four oilseed meals	do.	290	275	210	205	209	204	212
Tankage, meat scraps, and fish meal	do.	332	287	309	309	299	275	277
Gluten feed, brewers' dried grains, and distillers' dried grains	do.	330	295	228	220	226	220	223
Feed, prices paid by farmers, U. S. 1/	1910-14=100	265	268	211	211	201	199	201

LIVESTOCK-FEED PRICE RATIOS 2/

Item	(Mar. average)	Unit	1948 Feb.	1948 Mar.	1949 Feb.	1949 Mar.	1950 Jan.	1950 Feb.	1950 Mar.
Hog-corn, Chicago 3/	1929-48 = 12.9	Bushel	10.0	9.4	15.6	15.3	12.0	13.0	12.3
Hog-corn, U. S. farm price	1929-48 = 12.9	do.	11.2	10.2	17.5	16.9	13.1	14.3	13.5
Beef-steer-corn, Chicago 4/	1929-48 = 14.8	do.	11.7	11.6	17.5	18.1	20.1	19.7	19.4
Butterfat-feed, U. S.	1929-48 = 24.0	do.	22.2	20.4	23.7	23.1	23.8	24.3	23.5
Milk-feed, U. S.	1929-48 = 1.26	do.	1.18	1.13	1.34	1.24	1.34	1.32	1.25
Egg-feed, U. S.	1939-48 = 10.7	do.	9.9	9.2	12.2	11.9	9.3	8.8	9.3

Prices compiled from Chicago Journal of Commerce, Minneapolis Daily Market Record, Kansas City Grain Market Review, and reports of the Grain Branch, Production and Marketing Administration, and the Bureau of Agricultural Economics.

1/ Revised. January 1910 through December 1914 = 100.

2/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef-steer, one pound of butterfat or milk, or one dozen eggs.

3/ Revised series, based on packer and shipper purchases of barrows and gilts, and No. 3 Yellow corn. The ratios for the years 1929-37 in the average are based on all purchases of hogs, and No. 3 Yellow corn.

4/ Based on prices of beef-steers sold out of first hands for slaughter, and No. 3 Yellow corn.

THE FEED SITUATION

Approved by the Outlook and Situation Board, April 5, 1950

SUMMARY

Despite a cut in corn acreage, the total acreage planted to the four principal feed grains in 1950 will be about 2 percent larger than in 1949, if farmers carry out their planting intentions of March 1. The prospective corn acreage is 82.8 million acres, 6 percent less than in 1949. If planted, this would be the smallest corn acreage in over 50 years. On the other hand, farmers planned increases of 8 percent in the acreage seeded to oats, 24 percent in barley and sorghums, and 3 percent in hay.

The total production of feed grains in 1950, with yields by States equal to the 1944-48 average, would be about 114 million tons. This is around one-tenth smaller than in 1949, when yields were considerably above average, but 15 percent larger than in the immediate prewar years. This production, plus the very large carry-over in prospect, would give a total supply for 1950-51 about 5 to 10 percent smaller than the record supply for 1949-50. However, since a substantial part of the carry-over stocks will be held in Government ownership or under loan, supplies of feed grains, exclusive of those under price support, would be substantially smaller than in either of the past 2 years.

For the first time in recent years, acreage allotments have an important role in farmers' plans for feed crop production this year. Practically all of the prospective reduction in corn is in the Corn Belt, where acreage allotments will be in effect on the 1950 crop. The increase in acreages of other feed grains and hay will come principally from land diverted from corn, cotton, and wheat--all of which are subject to 1950 acreage allotments.

In relation to the expected number of livestock to be fed, the prospective feed grain supply for 1950-51 would be smaller than in either of the past two years, but 10 percent above prewar. Livestock numbers have been increasing since 1948, and may be about the same in 1950-51 as during the current feeding season.

The prospective hay acreage is about 3 percent larger than in 1949 and a little above the average of the past ten years. With 1944-48 average yields this year, hay supplies per hay-consuming animal unit would be close to the near-record supplies per animal unit of recent years.

The level of corn prices in 1950-51 will again be influenced to a considerable extent by the Government loan program and by the outturn of this year's crop. Loans on corn will again be at 90 percent of the parity price at the beginning of the marketing season. This year, farmers in the commercial area who plant within their acreage allotments will be eligible for the full 90 percent support. In the non-commercial area the corn price support will be 75 percent of the level for the commercial area. If the 1950 corn crop is substantially smaller than in 1949,

as would be expected on the basis of March 1 intentions with average yields, corn prices probably will be maintained nearer the loan rate in 1950-51 than in either of the past 2 years. The large stocks of corn on hand, however, will limit any substantial rise in prices that would otherwise occur in the event of a short crop.

Currently, feed grain prices are close to the March 1949 level, and have advanced more than seasonally from the low points reached in the last half of 1949. Total stocks of feed grains for the first half of 1950 are larger than in either of the past two years, but a larger percentage of these stocks is held under Government support programs. The smaller volume of stocks not under price support, together with the larger number of livestock on farms, will give support to feed grain prices, at least during the remainder of the current feeding season. Market receipts of corn and other feed grains have declined more than seasonally since the harvesting of the 1949 crops.

OUTLOOK FOR 1950-51

Smaller Corn Acreage but Larger Acreages of Other Feed Crops Planned for 1950

In 1950, acreage allotments are in effect on a number of major crops for the first time in recent years. They have an important bearing on acreages of feed crops this year. Reports from farmers in early March indicated their intentions to plant 82.8 million acres of corn, 5 million less than that planted in 1949. On the other hand, they planned to increase the oats acreage 8 percent, and the barley and sorghum acreages about 24 percent. The combined increase in acreages of these three grains totals about 9 million acres, more than offsetting the indicated reduction in corn. In addition, farmers plan to increase their hay acreage by 2.3 million acres. The prospective reduction in corn planted is almost entirely the result of smaller acreages planned in the commercial area, where acreage allotments will be in effect on the 1950 crop. Acreage allotments also will be in effect this year on the 1950 crops of wheat, cotton, and peanuts. The smaller acreages of crops with acreage allotments appear to be largely responsible for prospective increases in 1950 acreages of the other feed grains and hay.

Farmers will again have adequate supplies of feed grains in the 1950-51 season, if they carry out their planting intentions and growing conditions this year are average or better. With yields by States equal to the average for 1944-48, the prospective acreage would produce 114 million tons of the four feed grains. Although this would be about one-tenth smaller than production in 1949, it would be only a little below the large production during the war years and 15 percent larger than in the 1937-41 period. To this production would be added another big carry-over of corn, oats, and barley--probably about as large as or a little larger than the record carry-over of about 30 million tons last year. This would give a total supply of feed grains, including grain sorghum production, of around 145 million tons--about 7 percent below the record supply of 1949-50. Except for the supplies of the past two years, this would be the largest supply on record. But supplies of feed grains for 1950-51 exclusive of stocks under loan or owned by the Government are expected to be substantially smaller than in either of the 2 preceding feeding seasons, since a large part of the big carry-over will be held under Government price support programs.

Table 2.- Acreages of feed and related crops, 1939-48 average, 1949, and prospective plantings for 1950

Crop	Average 1939-48	1949	Prospective 1950 1/	1950 as a percentage of average	1950 as a percentage of 1949
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Corn	89,825	87,910	82,765	92.1	94.1
Oats	42,891	44,525	47,964	11.8	107.7
Barley	14,713	11,208	13,879	94.3	123.8
Sorghums 2/	16,458	11,664	14,478	88.0	124.1
Wheat	66,026	84,931	3/72,727	110.1	85.6
Soybeans for beans 4/	8,764	9,912	11,700	133.5	118.0
Flaxseed	3,869	5,199	4,027	104.1	77.5
Peanuts 5/	2,880	2,433	2,150	74.7	88.4
Sugar beets	851	769	980	115.2	127.4
All hay 6/	74,470	72,835	75,091	100.8	103.1

1/ Based on reports of farmers' intentions about March 1.
2/ Excluding sirup, Prospective acreage for 1950 less 1949 acreage harvested for sirup.
3/ Winter wheat seeded plus prospective acreage for spring wheat.
4/ Harvested acreage. Prospective acreage for 1950 based on the usual relationship between the total acreage and the acreage harvested for beans.
5/ Picked and threshed. Prospective acreage for 1950 based on the usual relationship of acreage planted alone to acreages for picking and threshing by States.
6/ Acreage harvested.

The smaller corn acreage in prospect for 1950 reflects the influence of acreage allotments, which have been proclaimed this year in the commercial corn-producing area for the first time since 1942. Farmers in the North Central region, which contains most of the commercial area, indicated their intentions to reduce the 1950 acreage by 10.5 percent. In a number of the important Corn Belt States, reductions of 12 or 13 percent were indicated. In general, reductions apparently will be most pronounced in the important cash grain areas of the Corn Belt. In Southern States, where acreage allotments will reduce cotton and wheat acreages, farmers planned to increase corn plantings. In the South Central region, a 6 percent increase in corn acreage is in prospect; and, in the South Atlantic region, a 1.5 percent increase. In the North Atlantic region, about the same acreage is planned as that planted last year. In the Western States, where corn is a minor crop, farmers' intentions indicated a 5 percent reduction in corn acreage.

Table 3.- Feed grains: Planted acreages by regions and specified States, average 1939-48, 1949, and prospective plantings for 1950

State and region	Corn 1/ Average 1939-48	Corn 1/ 1949	Corn 1/ Prospective 1950 2/	Oats Average 1939-48	Oats 1949	Oats Prospective 1950 2/	Barley Average 1939-48	Barley 1949	Barley Prospective 1950 2/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
North Atlantic	2,407	2,445	2,444	1,910	1,996	1,932	264	234	270
Ohio	3,457	3,627	3,337	1,156	1,373	1,291	32	17	38
Indiana	4,310	4,770	4,293	1,382	1,502	1,532	53	22	25
Illinois	8,393	9,280	8,166	3,542	3,986	4,026	92	32	35
Michigan	1,671	1,798	1,654	1,398	1,614	1,598	170	129	129
Wisconsin	2,485	2,621	2,516	2,678	3,030	3,060	366	189	204
E. N. Central	20,316	22,096	19,966	10,156	11,505	11,507	713	389	431
Minnesota	5,161	5,682	4,943	4,650	5,027	5,379	1,319	1,097	1,404
Iowa	10,336	11,326	9,854	5,468	6,417	6,674	160	32	50
Missouri	4,398	4,396	4,132	2,140	2,121	2,163	161	100	120
North Dakota	1,182	1,239	1,338	2,305	1,858	2,415	2,378	1,852	2,445
South Dakota	3,640	4,101	3,609	2,767	3,102	3,567	1,846	1,235	1,420
Nebraska	7,661	7,438	6,471	2,227	2,489	2,912	1,288	381	549
Kansas	3,074	2,598	2,390	1,686	1,034	1,448	993	266	649
W. N. Central	35,452	36,780	32,737	21,243	22,048	24,558	8,145	4,963	6,637
South Atlantic	10,486	9,687	9,832	2,282	2,521	2,631	250	280	297
South Central	19,548	15,559	16,510	4,896	4,103	4,788	984	465	631
Western	1,616	1,343	1,276	2,404	2,352	2,548	4,357	4,877	5,613
Total U. S.	89,825	87,910	82,765	42,891	44,525	47,964	14,713	11,208	13,879

1/ For all purposes.
2/ Based on reports of farmers' intentions about March 1.

With 1944-48 average yields by States, corn production in 1950 would total around 2.8 billion bushels, or nearly 600 million bushels less than in 1949. The reduction from 1949 results not only from the smaller acreage in prospect, but also from the fact that the 1949 season was unusually favorable for corn. The above computation assumes a more nearly normal growing season. Part of the reduction also reflects the relatively smaller acreage in prospect in the higher yielding commercial corn area.

If a crop of this size is realized, it would be smaller than prospective domestic requirements for 1950-51. It probably would result in relatively little 1950 corn going into the loan program, and some reduction in the large carry-over of corn that will be on hand at the beginning of the year. Since a large part of the corn carried over into 1950-51 will be under loan or in Government ownership, the supply of corn not under price support would be considerably smaller than in either of the past two years. Excluding the October 1 stocks held under the support program, the total supply of corn for 1950-51, based on the above assumptions, probably would be a little over 3 billion bushels compared with around 3.8 billion bushels in each of the past two years. The total corn supply, including the record large carry-over in prospect, would be around 3.7 billion bushels, about 500 million smaller than the record supply in 1949-50, about equal to the big supply in 1948-49, and larger than in any previous year.

While farmers indicate a smaller acreage of corn in 1950, they planned to increase acreages of oats, barley, and sorghum grains, which are not subject to acreage allotments in 1950. Although prospective increases in these grains are fairly general over most of the country, they are most pronounced in the Great Plains area and in the Corn Belt States, where substantial reductions in wheat and corn are in prospect. The total oats acreage in prospect for 1950, amounting to about 48 million acres, is 8 percent larger than in 1949, and would be the largest acreage planted since records began in 1929. The prospective barley acreage for 1950 totals 13.9 million acres, an increase of 24 percent over the acreage seeded in 1949. Barley has been declining since the record acreage of 19.7 million acres in 1942. While the prospective acreage for this year is the largest since 1944, it is about 6 percent below the 1939-48 average. Farmers' intentions indicated that 14.5 million acres of sorghums will be planted for all purposes in 1950, about 24 percent larger than the acreage planted in 1949. But it still falls substantially below the large acreages planted during the war, and is about 12 percent below the average of the past 10 years.

Based on prospects in early March, total supplies of feed grains for 1950-51 will be larger than average in relation to requirements of livestock. Livestock production has been increasing in the past two years from the low level reached in 1947-48. The number of grain-consuming animal units fed during the current feeding season is estimated at 170 million, 9 percent larger than two years ago and 4 percent larger than last year.

Table 4.- Feed grains: Supply per grain-consuming animal unit fed during the year, United States, average 1937-41, annual 1942-50

Crop year beginning	Production of four feed grains 1/	Carry-over beginning of crop year 2/	Total supply	Grain consuming animal units fed annually 3/	Supply per animal unit fed
	Million tons	Million tons	Million tons	Million	Ton
1937-41	99.3	16.9	116.2	153.1	.76
1942	120.8	18.5	139.3	192.4	.72
1943	112.1	17.8	129.9	193.2	.67
1944	116.7	11.6	128.3	173.7	.74
1945	114.4	14.9	129.3	167.8	.77
1946	124.3	10.9	135.2	161.4	.84
1947	95.4	13.8	109.2	155.7	.70
1948	138.2	7.7	145.9	163.0	.90
1949 4/	125.7	30.3	156.0	170.0	.92
1950	5/113.7	6/31.0	144.7	6/170	6/.85

1/ Corn, oats, barley, and sorghum grains.
2/ Total stocks of corn October 1 and oats and barley July 1.
3/ Animal units fed during the feeding season beginning October. For weights see table 1, page 2, Feed Statistics, Bureau of Agricultural Economics, December 1949.
4/ Preliminary.
5/ Based on acreage intentions on March 1 with 1944-48 average yields by States.
6/ Tentative estimates based on indications in March.

In 1950-51 a further increase in cattle on farms is in prospect, since the upward trend in both dairy and beef cattle, which has been underway in the last year or two, is expected to continue through 1950. There also may be a small increase in the number of hogs fed in 1950-51, since slightly larger pig crops are expected in 1950. The much less favorable returns to poultry producers in early 1950 than a year earlier, will limit any further increases in poultry production during the next year or so. Numbers of horses and mules on farms have been declining around 8 to 10 percent annually in recent years, and will continue this downward trend during the coming year. Based on these prospects the total number of grain-consuming animal units to be fed in 1950-51 is expected to be about the same as in 1949-50. In relation to this expected number of grain-consuming animal units, the total prospective feed grain supply for 1950-51, as indicated above, would be around 10 percent smaller than in 1949-50. Excepting the past 2 years, supplies per animal unit would be as large as in any previous year and around 10 percent above the prewar average.

Large supplies of oilseed cake and meal will again be available in 1950-51, if farmers carry out their planting intentions and yields are average or above. The prospective 1950 acreage of soybeans for harvest as beans is 11.7 million acres--a new record and an increase of 18 percent over 1949. On the other hand, farmers planned to reduce flaxseed acreage from 5.2 to 4.0 million acres. But with the large carry-over of flaxseed in prospect, the quantity crushed may be as large as in 1949-50. Planting intentions are not reported for cotton; the initial national acreage allotment of 21,000,000 acres may be increased somewhat by recent legislation, but remains well below the acreage of 1949.

With oilseed yields the same as in 1949, the potential production of all oilseed cake and meal from these acreages would be at least as large as in 1949-50. In terms of oilseed meal production, the prospective 2 million acres increase in soybeans would more than offset the reduction in cotton acreage. With average oilseed yields per acre, however, the potential production of oilseed cake and meal in 1950-51 is somewhat smaller than the big production of the past two years, but it would be larger than in most other recent years. Total supplies of byproduct feeds probably will continue near the high postwar level, but they may be a little smaller than in the past 2 years.

Larger Hay Acreage in Prospect

The acreage of all hay for harvest in 1950 will be about 3 percent larger than in 1949, and also slightly above the 1939-48 average, if farmers carry out their March 1 intentions.

Prospective increases in hay acreage are general over large areas of the country. Greatest increases are in prospect in the Eastern Corn Belt States and in Iowa, where 1949 acreages were considerably below average. Moderate increases are planned over most of the Corn Belt in the West, the Northeast, and a number of Southern States. The indicated increases in hay acreage apparently are the result of adjustments to comply with the acreage allotment programs for other crops such as corn, wheat, and cotton. Reductions in hay acreage are in prospect in a number of the Southeastern States. For some of these States this reflects a prospective smaller acreage of peanuts, which in turn restricts the acreage from which peanut vines are saved for hay.

Table 5.- Hay: Acreage, yield, production, and supply per animal unit, United States, average 1937-41, annual 1942-50

Year	Acreage	Yield	Production	Carry-over May 1	Total supply	Roughage-consuming animal units fed annually 1/	Supply per animal unit
	Million acres	Tons	Million tons	Million tons	Million tons	Millions	Tons
Average 1937-41	69.9	1.30	90.6	12.4	103.0	70.8	1.45
1942	74.8	1.44	107.7	13.7	121.4	78.2	1.55
1943	77.0	1.34	103.1	16.2	119.3	79.9	1.49
1944	77.5	1.33	102.7	13.8	116.5	78.7	1.48
1945	77.0	1.41	108.5	15.9	124.4	75.3	1.65
1946	74.2	1.36	100.7	20.6	121.3	72.8	1.67
1947	75.5	1.36	102.8	16.0	118.8	69.4	1.71
1948	73.2	1.36	99.5	15.1	114.6	68.2	1.68
1949 2/	72.8	1.36	99.3	15.1	114.4	68.7	1.67
1950	3/75.1	4/1.37	4/103.0	5/16.0	5/119.0	5/70.0	5/1.70

1/ Animal units fed during the feeding season beginning October. For weights see table 96, page 81, Feed Statistics, December 1949.
2/ Preliminary.
3/ Indicated acreage for harvest.
4/ Production with 1944-48 yields per acre by States on the prospective hay acreage.
5/ Tentative estimates based on indications in March.

If hay is actually harvested from all of the 75.1 million acres now indicated, and if the 1944-48 average yield per acre is made in each State, 1950 production would be about 103 million tons. This would be about 4 percent larger than in 1949 and nearly 14 percent above the immediate prewar level. The number of hay-consuming livestock on farms is expected to be a little larger in 1950-51 than in the current season. With a crop of this size and the expected carry-over, hay supplies would be fully adequate for livestock on farms and would give a supply per animal unit at least as large as the near-record supplies of recent years.

Current Prospects for Corn Prices Nearer the Support Level in 1950-51

Important factors which will have a bearing on corn prices in the 1950-51 season are: (1) The Government Loan Program (including the influence of loans on the 1950 crop and the large quantity of old corn held by the Government or resealed on farms); (2) the size of the 1950 crop; (3) the demand for corn. A corn crop of around 2.8 billion bushels, as was indicated earlier, based on 1944-48 average yields and the indicated acreage for 1950, would be below current domestic requirements, which for the 1949-50 season are estimated at a little over 3.1 billion bushels. This points to a somewhat tighter corn supply situation in 1950-51 than in either of the two preceding years, since a considerable part of the large carry-over next

October 1 will be under loan or in Government ownership. This would be expected to hold corn prices nearer the support level in 1950-51 than in either of the past two years.

Corn prices will again be supported in 1950 at 90 percent of parity, but the full 90 percent support will be available only to farmers in the commercial area who plant within their acreage allotments. The support level in the non-commercial area is 75 percent of the level for the commercial area. In each of the past two years all corn producers have been eligible for price support. The fact that not all producers in the commercial area will be eligible for supports in 1950-51 could be a price-weakening factor, particularly if another big corn crop is produced. Under such circumstances, prices in 1950-51 would be subject to the depressing influence of a relatively larger volume of new crop corn being available on the cash market than in 1948-49 and 1949-50.

On the other hand, any substantial rise in corn prices in 1950, that would be expected in the event of a short crop or for other reasons, would be limited by the large stocks of old grain owned by the Government and held by farmers under loan. These stocks would become available to the market if prices should advance above the loan levels plus carrying charges. Only in the event that feed grain production turns out well below average, does it now appear probable that corn prices would advance materially above the loan level in the 1950-51 season.

A reduction in corn production in 1950 relative to that of other feed grains may result in relatively higher prices for corn than for other feeds in the 1950-51 season. In each of the past two years the unusually large corn crops have resulted in corn prices being relatively low in relation to prices of most other feeds.

CURRENT FEED SITUATION

Prices of Most Feeds Advance Seasonally; March Level of Feed Prices Close to That of a Year Earlier

Prices of feed grains have advanced in recent months from seasonal low points reached in the last half of 1949. In general feed prices in March were close to the level of a year earlier. The average price received by farmers for corn in mid-March was $1.19 a bushel--17 cents higher than the seasonal low point reached in November, but 21 cents below the national average loan rate for corn. Prices of grain sorghums also have advanced since late in 1949, but have remained below the national average loan rate of $2.09 per 100 pounds. Prices of oats and barley were well below the loan levels for these grains last summer, but they have been at or above the loan level since January. The loan programs on 1949 feed grains have had a strengthening influence on feed grain prices, as large quantities of corn and other feed grains have gone under loan, and supplies of feed grains not under price support early in 1950 were smaller than early in 1949. The loan programs for feed grains will continue to support feed grain prices, at least until the harvesting of the 1950 crops. While the increasing number of livestock on farms also has been a price strengthening factor, in recent months lower prices of livestock and livestock products than a year earlier have at least partly offset the influence of increasing production.

Table 6.- Prices of specified feeds compared with corn, March, average 1940-49, 1949, and 1950

Feed	March						
	Price per 100 pounds			1950 as a percentage of average	Percent of price of corn		
	Average 1940-49	1949	1950		Average 1940-49	1950	1950 as a percentage of average
	Dollars	Dollars	Dollars	Percent	Percent	Percent	Percent
Grains							
Corn, No. 3 Yellow 1/	2.13	2.39	2.39	112.2	100.0	100.0	100.0
Oats, No. 2 White 1/	2.31	2.35	2.45	106.1	108.5	102.5	94.5
Barley, No. 3 2/	2.46	2.50	3.16	128.5	115.5	132.2	114.5
Milo maize, No. 2 Yellow 3/	2.16	2.40	2.20	101.9	101.4	92.1	90.8
Wheat, No. 2 Hard Winter 3/	2.82	3.74	3.79	134.4	132.4	158.6	119.8
Oilseed meals							
Cottonseed meal, 41 percent 4/	2.44	2.84	3.02	123.8	114.6	126.4	110.3
Linseed meal 2/5/	2.59	3.24	3.50	135.1	121.6	146.4	120.4
Soybean meal, 41 percent 1/	2.66	3.37	3.48	130.8	124.9	145.6	116.6
Animal and marine proteins							
Tankage digester, 60 percent 1/	4.07	5.45	5.68	139.6	191.1	237.7	124.4
Meat scraps 1/	3.87	5.42	5.70	147.3	181.7	238.5	131.3
Fish meal, 67 percent 6/	5.14	9.92	7.52	146.3	241.3	314.6	130.4
Other byproduct feeds							
Bran, standard, spring wheat 1/	2.14	2.76	2.36	110.3	100.5	98.7	98.2
Middlings, standard, spring wheat 1/	2.18	2.72	2.49	114.2	102.3	104.2	101.9
Gluten feed, 23 percent 1/	2.04	2.61	2.65	129.9	95.8	110.9	115.8
Alfalfa meal, No.1 fine 3/	1.83	1.96	1.68	91.8	85.9	70.3	81.8
Molasses, blackstrap 7/	1.40	.75	.75	53.6	65.7	31.4	47.8

1/ Chicago. 2/ Minneapolis. 3/ Kansas City. 4/ Memphis. 5/ During 1940-43 protein content varied from 34 to 37 percent; 1947-50, 32 percent protein.
6/ San Francisco. 7/ New York. Based on price per gallon in tank lots; assumes 1 gallon = 12 pounds.

Prices of wheat millfeeds increased about 10 dollars per ton from early February to the end of March, but prices in March were a little lower than a year earlier. Prices of oilseed meals, tankage, and meat scraps also have advanced in recent weeks, and averaged higher in March this year than last. The price of fish meal has continued downward during most of the past year and in March reached the lowest level since the fall of 1948.

A comparison of prices of various feeds in March 1950 with the average for 1940-49, and as a percentage of the price of corn, is shown in table 5. Prices of the higher-protein feeds in March, based on these comparisons, continued high in relation to most other feeds. Prices of protein feeds have been relatively high as compared with other feeds during most of the last year and a half. Comparatively high prices of these feeds are partly the result of the large supplies of feed grains and comparatively smaller supplies of the protein feeds. As compared with prewar, it also reflects the general tendency of farmers to feed their livestock more adequately balanced rations and the stronger demand for protein feeds resulting from the upward trend in the quantity of prepared poultry and dairy feed purchased by farmers.

Barley prices in March were relatively higher than the other feed grains, reflecting the comparatively short supply of barley this year. Although fish meal prices have declined sharply during the past few months, fish meal remained relatively high in relation to corn and also in relation to most other feeds. The oilseed cakes and meals and tankage and meat scraps also were higher than average in relation to corn. Prices of milo maize, alfalfa meal, and wheat bran, on the other hand, were all low in relation to the price of corn. The price of blackstrap molasses, which has been unusually low during the past year, in March was only about one-third as much per 100 pounds as corn, compared with 65.7 percent of the price of corn in 1940-49.

Livestock Numbers Increase From the Low Level of Past Two Years; Livestock Product Prices Down From Year Ago

During 1949 farmers increased the total number of livestock and poultry on their farms for the first time since the downward trend in numbers started in 1944. The index of numbers of livestock and poultry on farms January 1 was 105 (1935-39=100), up 2 percent from a year earlier, but still 16 percent below the wartime peak of 1944. Chicken numbers were 7 percent larger than at the beginning of 1949, meat animal numbers increased 3 percent, and dairy cattle about 1 percent. The number of work stock on farms was 9 percent smaller, continuing the downward trend of the past several years.

With ample feed grain supplies available in 1949, farmers fed their livestock and poultry liberally through most of the year. The number of cattle grain-fed for market was well above average. Hog weights, although lower than in other recent years, were above the prewar average. Dairy cows were fed a record large quantity of grain and other concentrates per head during much of the year. Feeding has continued liberal in 1950.

A record number of cattle were on grain feed January 1, 1950, slightly larger than a year earlier. The rate of feeding milk cows per head on February 1 was only slightly below the heavy rate on that date in 1949 and 16 percent above the 1939-48 average for February 1. The total number of hogs on farms was 6 percent larger than a year earlier, but producers are marketing their hogs at lighter weights than last year. The larger number of mature chickens on farms January 1 will require more feed in the early months of 1950 than a year ago. However, farmers are expected to raise a smaller number of chickens this year than in 1949, which may mean that less feed will be consumed on farms by growing chickens this summer and fall than last. The total number of grain-consuming animal units to be fed during the 1949-50 feed season (October-September) is estimated at 170 million, about 4 percent larger than in 1948-49.

Increasing production of livestock over the past year has been accompanied by a decline in prices of livestock and livestock products. The mid- March index of prices of all livestock and livestock products was about 8 percent lower than for that month of 1949. The greatest drop has been in prices of eggs and poultry, which were about 23 percent lower in mid-March this year than last. Prices of meat animals were about 6 percent lower, with all of the decline in hog prices. Dairy products were down about 4 percent. As a result of the lower levels of livestock prices, livestock-feed price ratios are generally less favorable to livestock producers than in the early part of 1949.

Table 7.- Numbers of livestock on farms in the United States, January 1, average 1938-42, and annually 1943-50

Year	All cattle including milk cows	Milk cows	Hogs	All sheep	Horses and mules	Chickens
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
Average 1938-42	69,473	25,154	54,132	52,930	14,455	429,256
1943	81,204	27,138	73,881	55,150	13,231	542,047
1944	85,334	27,704	83,741	50,782	12,613	582,197
1945	85,573	27,770	59,331	46,520	11,950	516,497
1946	82,434	26,695	61,301	42,436	11,063	530,203
1947	81,207	26,098	56,921	37,818	10,021	474,441
1948	78,126	25,039	55,028	34,827	9,130	461,550
1949	78,298	24,416	57,128	31,654	8,246	448,676
1950 1/	80,277	24,625	60,424	30,797	7,463	481,190

1/ Preliminary.

Comparatively Small Marketings of Corn Reflect Smaller Supplies of Corn on Farms

Market receipts of corn have declined sharply since the near-record movement last November. The relatively small receipts of corn at principal markets in recent months is similar to the situation in the same period of 1948-49, when corn prices were substantially below the loan rate and farmers placed large quantities of corn under loan and reduced the volume of cash sales. For the current marketing year there is less corn not under loan on farms than a year earlier. Receipts of corn at primary markets for the six months October-March totaled 202 million bushels, or about 7 percent smaller than in the same period of 1948-49.

Market receipts of oats and barley also have declined more than seasonally since the heavy movement last summer. Market receipts of oats for July-March totaled 106 million bushels, a little below average and slightly smaller than in those months of 1948-49. Receipts of barley during the first 9 months of the current marketing year were 7 percent larger than a year earlier and were also larger than in other recent years. Since last fall receipts of barley have dropped off more than seasonally, reflecting the smaller supply available for 1949-50 and another large quantity of barley going under price support.

Table 8.- Feed grains: Receipts at primary markets, February, average 1944-48 and 1949, December 1949- March 1950

Item	March		1949-50			
	Average 1944-48	1949	Dec.	Jan.	Feb.	Mar.
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Corn, 12 markets 1/	27,264	23,698	33,368	25,182	17,006	23,355
Oats, 12 markets 1/	11,143	8,975	7,163	6,989	4,670	7,537
Barley, 4 markets 2/	6,883	8,991	6,820	4,351	5,806	6,738

1/ Chicago, Milwaukee, Minneapolis, Duluth, St. Louis, Kansas City, Peoria, Omaha, Indianapolis, Sioux City, St. Joseph, and Wichita.
2/ Minneapolis, Milwaukee, Chicago, and Duluth.

Loans Made on 254 Million Bushels of 1949 Corn Through February; Record Quantities of Oats and Sorghum Grains Placed Under Loan

Through February farmers had placed 254 million bushels of 1949 corn under loan and 15 million bushels under purchase agreement, or a total of 269 million bushels under price support. This was substantially larger than the 211 million bushels placed under price support in the same period of 1948-49. Farmers have until May 31 to place their 1949 corn under price support. Loans become due on July 31, 1950, or earlier on demand of the CCC.

Farmers placed a record volume of oats under loan and purchase agreement in the 1949-50 season, totaling 40 million bushels, 16 million bushels more than in 1948-49. The 82 million bushels of sorghum grains placed under price support also exceeded the volume in any previous year. While the quantity of barley placed under price support in 1949-50 was less than in 1948-49, it was larger than in any previous year. Percentages of 1949 crops of the three grains going under price support were as follows: Oats 3.0 percent; barley 13.8 percent; and sorghum grains 53.5 percent.

Table 9.- Feed grains: Quantities placed under price support, 1948 and 1949 crops 1/

Feed grain	1948			1949		
	Loan	Purchase agreement	Total	Loan	Purchase agreement	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Corn (through Feb.) 2/	179,259	32,026	211,285	254,069	15,243	269,312
Oats	14,897	8,645	23,542	29,380	10,516	39,896
Barley	31,251	18,285	49,536	28,380	4,467	32,847
Sorghum grains	34,673	5,099	39,772	75,337	6,306	81,643
Total (1,000 tons)	6,978	1,617	8,595	10,374	879	11,253

1/ The 1949 loan period for oats, barley, and sorghum grains closed January 31, 1950. Loans on corn will be made through May.

2/ The total quantity of corn placed under loan in the 1948-49 season was 358,196,000 bushels and under purchase agreement, 196,123,000 bushels. The loan figure excludes about 19 million bushels of 1948 corn under purchase agreement converted to resealed loans in 1949.

Table 10.- Feed grains: Loans and purchase agreements on the 1949 crops

State and region	Corn 1/			Oats 2/			Barley 2/			Sorghum grains 2/		
	Loans	Purchase agreements	Total	Loans	Purchase agreements	Total	Loans	Purchase agreements	Total	Loans	Purchase agreements	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North Atlantic	589	84	673	331	29	360	113	11	124	---	---	---
Ohio	8,045	413	8,458	505	100	605	---	---	---	---	---	---
Indiana	13,027	910	13,937	277	126	403	---	---	---	---	---	---
Illinois	42,997	6,602	49,599	2,945	2,027	4,972	1	---	1	---	---	---
Michigan	2,490	408	2,898	332	181	513	34	13	47	---	---	---
Wisconsin	2,070	208	2,278	65	3	68	11	1	12	---	---	---
East North Central	68,629	8,541	77,170	4,124	2,437	6,561	46	14	60	---	---	---
Minnesota	33,291	1,118	34,409	5,420	2,097	7,517	711	378	1,089	---	---	---
Iowa	79,271	1,797	81,068	8,744	1,970	10,714	11	3	14	---	---	---
Missouri	7,488	683	8,171	172	15	187	*	---	*	5	---	5
North Dakota	1,566	173	1,739	2,282	1,869	4,151	1,513	1,217	2,730	---	---	---
South Dakota	10,281	1,034	11,315	3,258	1,876	5,134	901	533	1,434	41	27	68
Nebraska	40,691	1,128	41,819	743	52	795	593	111	704	1,056	128	1,184
Kansas	6,431	329	6,760	73	5	78	434	121	555	17,210	3,431	20,641
West North Central	179,019	6,262	185,281	20,692	7,884	28,576	4,163	2,363	6,526	18,312	3,586	21,898
South Atlantic	2,025	95	2,120	660	*	660	59	1	60	---	---	---
South Central	3,147	172	3,319	3,137	119	3,256	307	11	318	48,035	1,284	3/49,319
Western	660	89	749	436	47	483	23,692	2,067	4/25,759	8,990	1,436	10,426
Total U. S.	254,069	15,243	269,312	29,380	10,516	39,896	28,380	4,467	32,847	75,337	6,306	81,643

1/ Quantity placed under price support through February 1950. Loan period ends May 31, 1950.

2/ Preliminary totals for 1949 crops. Loan period ended January 31, 1950.

3/ Includes 46,204,000 bushels in Texas, 3,092,000 in Oklahoma, and 23,000 in Arkansas.

4/ Includes 13,970,000 bushels in California, 5,416,000 in Colorado, 2,708,000 in Arizona, and 1,619,000 in Montana. The remainder was distributed among the other western States.

*Less than 500 bushels.

The loan period for 1949 oats, barley, and sorghum grains ended January 31, 1950. Loans on oats and barley are due April 30, and on sorghum grains March 31, or earlier on demand of CCC.

Small Argentine Corn Crop in 1950; Larger United States Exports Now Expected for 1949-50

Prospects for the 1950 Argentine corn crop to be harvested this spring indicate that this year's production will be the smallest in recent years. Based on a report from the Agricultural Attache', American Embassy, Buenos Aires, drought conditions which have continued since early November have reduced corn prospects drastically. The 1950 production is forecast at about 80 million bushels compared with 180 million bushels last year and a prewar average production of over 300 million bushels. The corn crop throughout the growing region is described as dry, stunted, and badly developed. Although no official estimates are available on the acreage planted, it has been estimated by trade sources at about 7 million acres--the smallest acreage in 40 years of record. Abandonment is expected to be heavy, with unofficial predictions ranging from 20 to 50 percent.

Exports of corn from Argentina in recent years have been much smaller than before the war. In the 1949-50 marketing season beginning April, total exports are estimated at about 38 million bushels compared with 80 million bushels the preceding year and 237 million bushels in 1935-39. If the present crop prospect is realized, the 1950 crop will fall short of domestic requirements of recent years, leaving little or no corn for export in the 1950-51 marketing season.

Table 11.- Argentina: Corn acreage, production, and distribution, 1935-50

Year of harvest	Acreage: Planted 1/	Acreage: Harvested	Production	Estimated carry-over April 1	Domestic disappearance 2/	Exports April-March
	1,000 acres	1,000 acres	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Averages						
1935-39	15,872	10,779	310,686	15,037	74,138	236,637
1940-44	13,268	9,975	317,464	127,409	274,617	22,847
1945	9,927	5,077	116,745	3/100,000	173,193	31,552
1946	9,762	6,461	140,709	3/ 12,000	53,434	84,275
1947 3/	8,925	6,431	228,912	15,000	100,822	113,090
1948 3/	8,282	6,591	236,000	30,000	125,681	80,319
1949 3/	7,784	6,400	180,000	60,000	147,000	4/ 36,400
1950	5/6,919		5/ 80,000	5/ 55,000		

Compiled from official sources, except as noted.

1/ During the fall of the preceding year.

2/ Residual. Includes use as feed, fuel, food, industrial products, and loss.

3/ Estimated by the Office of Foreign Agricultural Relations, U. S. Department of Agriculture.

4/ Exports for period April through February.

5/ Tentative estimates based on indications in March.

The small volume of corn available for export in Argentina during the coming year will be a factor tending to increase the demand of foreign countries for United States corn. Total exports of corn, including grain equivalent of meal and hominy grits, from the United States during the 1949-50 season beginning October 1, are now expected to exceed the total exports of 113 million bushels in 1948-49. During the first five months of the current season, October through February, exports of corn and the equivalent of corn products totaled 58 million bushels, or about 15 million bushels more than in this period of 1948-49. A continuation of this heavy rate of export through the marketing year would result in the largest seasonal total in recent years. Present indications point to a total export in 1949-50 probably as large as, and maybe exceeding the 131 million bushels exported in 1946-47.

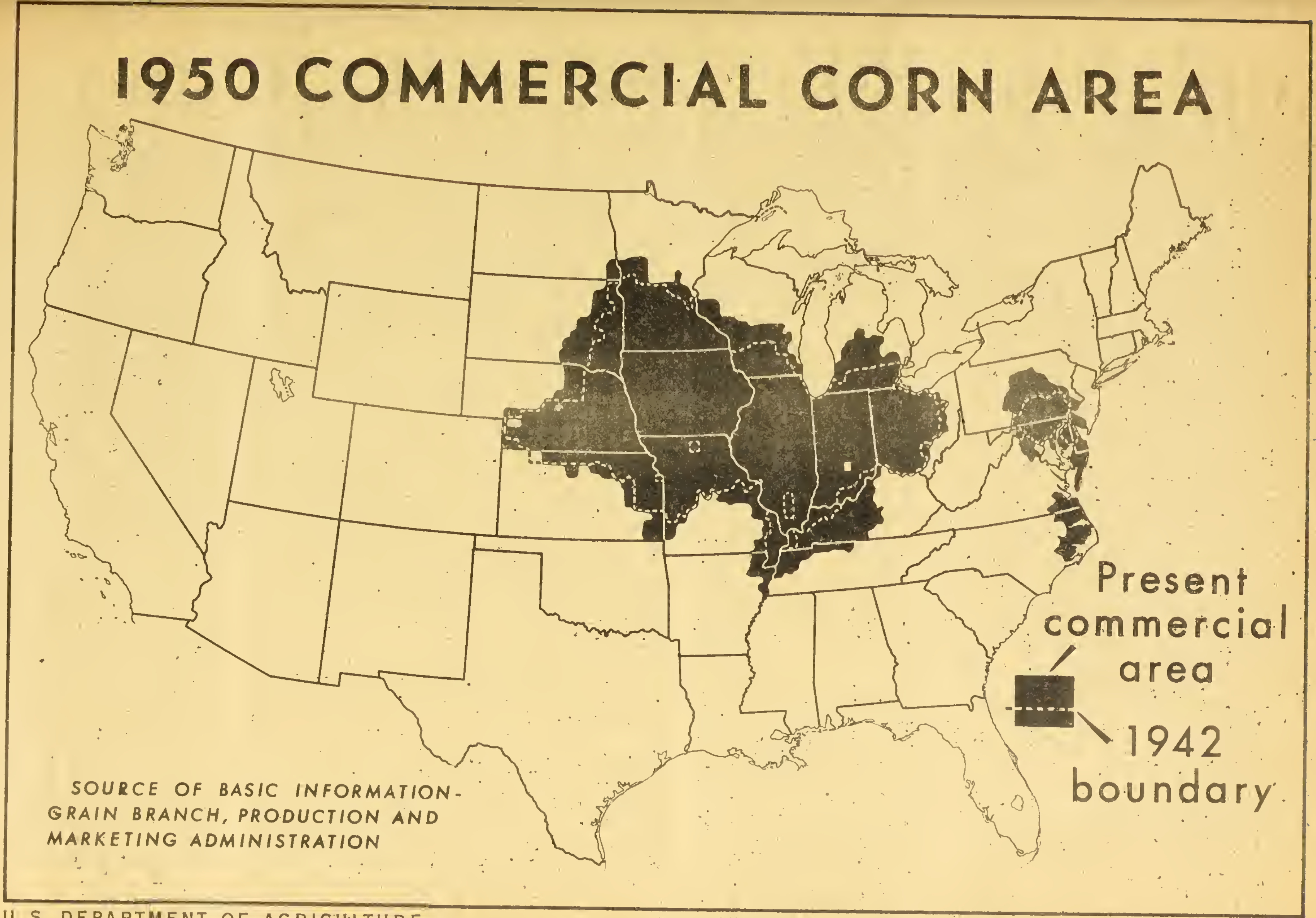
The increased exports of corn expected for the current feeding season probably will be accompanied by some reduction in exports of other feed grains. Exports of oats, barley, and grain sorghums are expected to be somewhat smaller than in 1948-49, when between 25 and 40 million bushels of each of these grains, including grain equivalent products, were exported. Exports of these grains were smaller in October-February this year than last, but the total exports of the four grains, including corn, amounted to 2,176,000 tons or about 7 percent larger than the exports in those five months a year earlier. Total exports of feed grains in the October-September 1949-50 feeding season probably will be about as large as the total of 5.5 million tons exported in 1948-49.

CORN ACREAGE ALLOTMENTS AND FEED GRAIN LOANS IN 1950

Farmers' intentions to reduce corn acreage about 5 million acres in 1950 apparently are largely the result of the 1950 corn acreage allotment program. Farmers in the North Central region reported their intentions to reduce their corn acreage by 6.2 million acres, or 10.5 percent from that planted in 1949. Most of the commercial area is in this region, although other States to the East and South of this region also contain commercial corn counties, as shown in the accompanying chart.

Corn acreage allotments, which will be in effect this year for the first time since 1942, are a requisite for eligibility for 1950 loans. Acreage allotments were in effect each year from 1938 through 1942. They were proclaimed for 1943, but suspended because of the increasing wartime demand for feed. Acreage allotments apply only to the commercial corn-producing area. The commercial corn-producing area for 1950 includes 837 counties, an increase of 214 counties from 1942. This increase is mainly the result of an upward trend in yield per acre, which has increased the production of corn per farm and made a larger number of counties qualify as commercial counties.

In 1949 a total of 57,579,000 acres of corn were planted in the commercial area, 65.5 percent of the total acreage planted in the United States. The 1950 acreage allotment for this area is 46,247,000 acres, or a reduction of 11,335,000 acres. This would be a reduction of 19.7 percent from the total acreage planted in the commercial area in 1949. It would mean a reduction of 12.9 percent in the total acreage planted in the United States, which was 87,910,000 acres in 1949.



SOURCE OF BASIC INFORMATION-GRAIN BRANCH, PRODUCTION AND MARKETING ADMINISTRATION

U. S. DEPARTMENT OF AGRICULTURE NEG. 47555-XX BUREAU OF AGRICULTURAL ECONOMICS

The 1950 commercial corn area includes 837 counties, an increase of 214 counties since 1942, the last previous year in which acreage allotments were applied to corn production. The corn acreage allotment for 1950 represents a 19.7 percent reduction from acreage planted in the area in 1949. In 1949 about 65 percent of the total United States corn acreage was in the commercial area.

Based on farmers' intentions in early March, the total acreage planted to corn in 1950 will be 82.8 million acres, or about 5 million acres less than in 1949. While intentions to plant are not available for the commercial corn-producing area alone, the reports on planting intentions by States would indicate that most of this reduction will be in the commercial corn-producing area. These reports indicate that the reduction will be greater for the commercial area than for the entire United States, since an increased acreage is in prospect in other regions. Nevertheless, based on intentions reports, overplanting of allotments may total about 4 or 5 million acres in the commercial area. This overplanting is probably largely due to the fact that many farmers in this area produce corn largely or entirely for livestock feeding and are more concerned with maintaining their livestock production than in retaining eligibility for corn price supports in 1950. By States, greatest reductions in acreage were indicated in the Central and Western Corn Belt, with Iowa, Illinois, Minnesota, Nebraska, and South Dakota all indicating 12 or 13 percent reductions.

Under the provisions of the Agricultural Act of 1949, loans will again be available on corn in 1950 based on 90 percent of the parity price at the beginning of the marketing season. Loans on corn will not be subject to adjustments for the supply percentage (the size of the supply relative to the estimated normal supply) until after 1950. Loans on the 1950 crop will be available at the full 90 percent support level to farmers in the commercial corn-producing area who plant within their acreage allotments. Cooperating farmers outside the commercial area will be eligible for price support at 75 percent of the level of price supports in the commercial area.

The parity price of corn on which the 1949 loan will be based will again be computed on the basis of the old parity formula, since the 1949 Act provides that "the parity price for any basic agricultural commodity, as of any date during the four-year period beginning January 1, 1950, shall not be less than its parity price computed in the manner used prior to the enactment of the Agricultural Act of 1949." The new parity price formula as set forth in the Agricultural Act of 1949 provides for two important changes in computing parity. These are: (1) The substitution of an adjusted base price for the base period price previously used. The price is adjusted for the relation between the price of the commodity and the prices of all farm products during the past 10 years. (2) The inclusion of cash wages paid hired labor in the calculation of the parity index. Currently the parity price of corn as computed by this new parity formula is about 12 cents per bushel below the price computed under the old parity formula. Hence, in accordance with provisions of the Act of 1949 mentioned above, the parity price for corn used as a basis for determining the loan level for 1950 would be determined by the old formula.

Loans on oats, barley, and sorghum grains have been available to producers of these crops over the past several years. In recent years loans on these grains have been based on the feeding value of these grains in relation to corn. Loans on these other feed grains are not mandatory under the Agricultural Adjustment Act of 1949, but are optional with the Secretary of Agriculture. An announcement has not yet been made regarding loans on the 1950 crops of these grains.

HYBRID CORN CONTINUES UPWARD TREND

Over the past 20 years farmers have been producing an increasing volume of corn from a declining acreage. The expanding acreage planted with hybrid seed has been an important factor in this increase in yield. If the upward trend of the past few years is projected into 1950, about 95 percent of the corn in the North Central region, nearly 90 percent in the North Atlantic region, and around one-half of the corn in the Southern and Western States will be planted with hybrid seed.

During the past 5 years corn yields in the United States averaged about one-third higher than in the 1920's and about one-fourth higher than in the period 1937-41. While a major factor in this higher yield has been the marked increase in hybrid seed, especially in the Corn Belt, the increased use of fertilizer and improved equipment and methods of tilling also have contributed, as well as the better than average growing seasons during the past few years.

Table 12.- Corn acreage planted with hybrid seed, by regions, 1933-49

Year	North Atlantic		North Central		Southern States 1/		Western		United States	
	Acreage in hybrids	Percentage of total	Acreage in hybrids	Percentage of total	Acreage in hybrids	Percentage of total	Acreage of hybrids	Percentage of total	Acreage in hybrids	Percentage of total
	1,000 acres	Percent	1,000 acres	Percent	1,000 acres	Percent	1,000 acres	Percent	1,000 acres	Percent
Average: 1933-37	5	.2	2,478	4.0	8	2/	3/	2/	2,491	2.4
Average: 1938-42	379	15.8	26,185	50.4	772	2.3	72	3.8	27,408	30.4
1943	982	42.4	45,797	78.1	2,400	7.6	249	14.2	49,428	52.4
1944	1,231	48.4	51,617	83.5	3,327	11.3	300	18.3	56,475	59.2
1945	1,433	59.1	51,801	88.1	4,201	15.6	317	21.2	57,752	64.4
1946	1,692	68.9	53,868	90.8	5,720	21.5	334	24.9	61,614	68.6
1947	1,799	76.7	52,664	92.7	7,233	28.1	355	29.0	62,051	72.1
1948 4/	1,964	80.0	53,770	93.7	9,281	36.0	490	37.7	65,505	75.4
1949 4/	2,056	84.1	55,426	94.1	10,156	40.2	654	48.7	68,292	77.7

1/ South Central and South Atlantic Regions. 2/ Less than .05 percent.
3/ Less than 500 acres. 4/ Unofficial revisions derived by applying percentage of corn acreage planted with hybrid seed by regions, published in July 1949, to all corn acreages planted by regions in 1948 and 1949 as reported in December 1949 Annual Crop Summary.

As suitable hybrid varieties have been developed for various areas of the country, the corn acreage planted to hybrids has expanded rapidly. In large areas of the Corn Belt, hybrid corn seed is used exclusively. In Iowa, Illinois, and Indiana practically all of the corn planted in 1949 was planted with hybrid seed, as well as a large part of the corn in the other Corn Belt States. In the North Atlantic region, the use of hybrids has become more widespread than in most other areas outside the Corn Belt. In 1949, 84 percent of the corn in this region was planted with hybrid seed.

Hybrid seed was developed later for the South than for the North. In recent years their use has been expanding as suitable hybrids have been developed. In 1949 about 40 percent of the corn acreage in the South was hybrid. Progress in developing suitable varieties for the South in recent years gives prospect of further increases in hybrid acreage in this area. In the Western States, where corn is a minor crop, hybrid seed also is becoming more popular, and was used on nearly one-half the acreage planted in corn last year.

For the country as a whole about 78 percent of the corn acreage in 1949 was planted with hybrid seed. The total percentage of corn planted to hybrids in the United States has been increasing, although at a less rapid rate, in recent years. The percentage of hybrid corn in 1950, influenced by the prospective reduction in acreage in the Corn Belt, may be no larger than in 1949.

Table 13.- Corn: Acreage planted by regions, 1929-50

(Data for cover page)

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
1929	2,177	19,572	43,631	10,094	21,209	2,447	99,130
1930	2,204	20,694	45,498	10,734	22,441	2,344	103,915
1931	2,278	22,070	47,051	11,457	23,703	2,805	109,364
1932	2,330	22,087	48,578	11,649	24,715	3,665	113,024
1933	2,387	21,097	47,291	11,782	24,237	3,036	109,830
1934	2,421	19,708	38,911	12,073	24,970	2,480	100,563
1935	2,545	20,375	38,217	12,620	23,742	2,475	99,974
1936	2,386	21,421	40,836	11,625	23,169	2,522	101,959
1937	2,449	21,988	36,974	11,629	21,780	2,354	97,174
1938	2,436	20,328	34,250	12,231	23,145	2,083	94,473
1939	2,418	19,276	32,839	11,991	23,240	1,875	91,639
1940	2,401	18,668	31,496	11,650	22,627	1,850	88,692
1941	2,351	18,641	31,149	11,078	21,731	1,887	86,837
1942	2,364	19,188	33,696	10,295	21,413	1,862	88,818
1943	2,314	20,324	38,294	10,672	20,987	1,750	94,341
1944	2,545	22,032	39,778	10,322	19,155	1,643	95,475
1945	2,425	20,645	38,156	9,865	17,139	1,497	89,727
1946	2,454	21,617	37,710	9,695	16,970	1,342	89,788
1947	2,347	20,704	36,079	9,588	16,164	1,226	86,108
1948	2,455	22,054	35,318	9,701	16,065	1,235	86,828
1949	2,445	22,096	36,780	9,687	15,559	1,343	87,910
1950 1/	2,444	19,966	32,737	9,832	16,510	1,276	82,765

1/ Based on reports from farmers indicating their intentions about March 1.

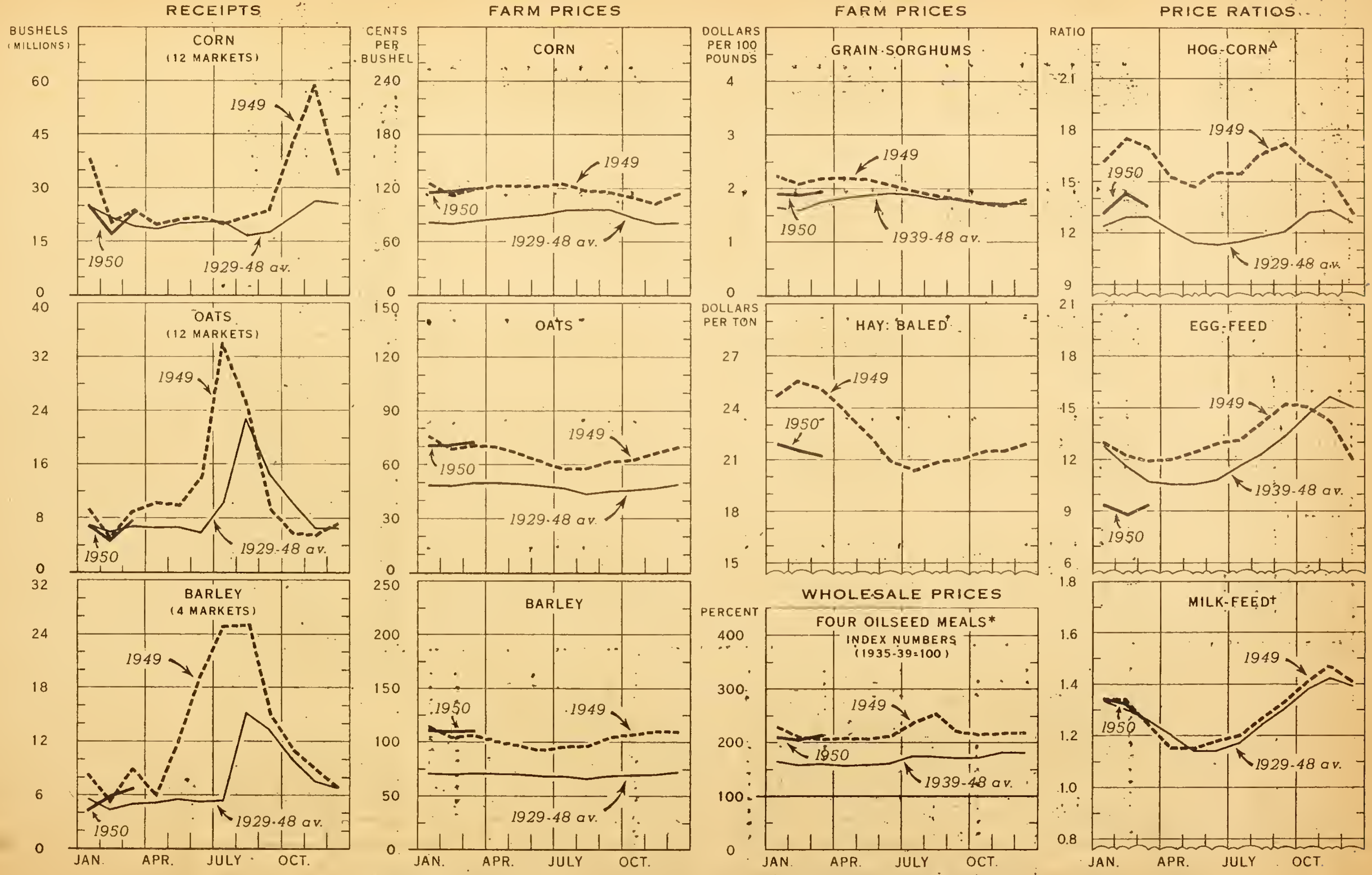
Table 14.- Production and stocks of specified byproduct feeds, February 1950 with comparisons

Item	1948-49	1949-50	1949	1949-50		
	Oct.-Feb.	Oct.-Feb.	February	December	January	February
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Production						
Cottonseed cake and meal	1,446.0	1,523.0	231.6	309.8	289.0	235.1
Soybean cake and meal	1,871.1	1,992.4	367.8	407.2	401.1	363.2
Linseed cake and meal	270.5	290.7	56.3	59.6	53.9	51.7
Peanut cake and meal	41.9	84.9	3.8	19.4	15.3	11.8
Copra cake and meal	44.1	64.4	6.2	12.0	12.7	8.8
Corn gluten feed and meal	369.4	360.3	67.8	69.3	68.5	68.5
Brewers' dried grains	81.4	78.4	15.2	16.7	15.9	14.5
Distillers' dried grains	174.6	117.6	28.5	27.6	24.2	19.7
Wheat millfeeds	2,145.6	1/1,942.4	381.3	378.4	384.8	1/365.0
Rice millfeeds	102.3	110.3	12.0	23.1	19.3	11.8
Alfalfa meal	230.4	236.7	29.3	41.0	27.8	26.2
Fish cake and meal	48.0	71.0	2.3	13.9	11.9	2.7
Dry or powdered skim milk	2.6	3.1	.7	.5	.8	.8
Stocks end of period						
Cottonseed cake and meal	92.3	196.4	92.3	142.8	175.7	196.4
Soybean cake and meal	31.1	69.7	31.1	47.4	61.8	69.7
Linseed cake and meal	14.0	13.3	14.0	14.8	13.1	13.3
Peanut cake and meal	2.1	8.4	2.1	6.2	5.5	8.4
Copra cake and meal	3.0	4.8	3.0	3.7	5.3	4.8
Brewers' dried grains	3.0	3.9	3.0	3.6	4.4	3.9
Distillers' dried grains	3.5	2.8	3.5	2.6	2.6	2.8
Alfalfa meal	91.6	94.8	91.6	157.0	126.4	94.8

Compiled as follows: Wheat millfeeds, cottonseed cake and meal, and beginning January 1949, soybean, linseed, and copra cakes and meals, Bureau of the Census; prior to January 1949, soybean, linseed, and copra cakes and meals, Grain Branch, Production and Marketing Administration, derived from Census crushings report; gluten feed and meal, brewers' and distillers' dried grains, rice millfeeds, and alfalfa meal, Production and Marketing Administration, fish cake and meal from Fish and Wildlife Service, Department of the Interior.

1/ Preliminary.

MARKET RECEIPTS, PRICES OF SPECIFIED FEEDS, AND LIVESTOCK-FEED PRICE RATIOS



*SOYBEAN, COTTONSEED, LINSEED AND PEANUT CAKES AND MEALS ^ΔBASED ON PRICES RECEIVED BY FARMERS
†MILK-FEED PRICE RATIO INCLUDES DAIRY PRODUCTION PAYMENTS FROM OCTOBER 1943 THROUGH JUNE 1946

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Table 15.- Feed grains: Planted acreage, yield, and production, United States, 1941-50

Year	Corn 1/			Oats			Barley		
	Planted acreage	Yield per planted acre	Production	Planted acreage	Yield per planted acre	Production	Planted acreage	Yield per planted acre	Production
	1,000 acres	Bushels	1,000 bushels	1,000 acres	Bushels	1,000 bushels	1,000 acres	Bushels	1,000 bushels
1941	86,837	30.5	2,651,889	41,841	28.3	1,182,509	15,857	22.9	362,568
1942	88,818	34.5	3,068,562	43,018	31.2	1,342,681	19,686	21.8	429,450
1943	94,341	31.4	2,965,980	43,467	26.2	1,139,831	17,474	18.5	322,913
1944	95,475	32.3	3,088,110	43,804	26.2	1,149,260	14,337	19.3	276,112
1945	89,727	32.1	2,880,933	45,889	33.5	1,535,676	11,718	22.8	266,833
1946	89,788	36.2	3,249,950	46,549	32.2	1,497,904	11,527	22.8	262,258
1947	86,108	27.7	2,383,970	42,301	28.4	1,199,422	12,102	23.2	281,185
1948	86,828	42.4	3,681,793	44,526	33.5	1,493,304	13,228	23.9	315,894
1949	87,910	38.4	3,377,790	44,525	29.7	1,322,924	11,208	21.2	238,104
1950 2/	82,765	33.8	2,800,000	47,964	31.3	1,500,000	13,879	23.0	319,000

1/ For all purposes.

2/ Indicated 1950 acreage from March 1 intentions of farmers. Indicated 1950 production computed on the basis of the prospective plantings, assuming yields per planted acre by States equal to the 1944-48 average.

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